

RECEIVED

MAR 21 2013

GAMBLING COMMISSION  
COMM & LEGAL DIVISION

STATE OF WASHINGTON  
GAMBLING COMMISSION

RECEIVED

MAR 13 2013

OAH - Tacoma RECEIVED

MAR 04 2013

GAMBLING COMMISSION  
COMM & LEGAL DIVISION

In the Matter of the Suspension of the License )  
to Conduct Gambling Activities of: ) No. CR 2012-01504  
)  
Jason R. Rosman )  
Spokane, Washington, ) **SETTLEMENT ORDER**  
)  
Licensee. )  
\_\_\_\_\_ )

This Settlement Order is entered into between the Washington State Gambling Commission and the licensee, Jason R. Rosman. Stephanie U. Happold, Assistant Attorney General, and Melinda Froud, Staff Attorney, represent the Gambling Commission. Julie Watts, Attorney, represents the licensee.

I.

The Washington State Gambling Commission issued Jason R. Rosman license number 68-05161, authorizing Card Room Employee activity at Lilac Lanes & Casino in Spokane.

The license expires on August 19, 2013, and was issued subject to the licensee's compliance with state gambling laws and rules.

II.

The Director issued a Notice of Administrative Charges and Opportunity for an Adjudicative Proceeding to the licensee on December 10, 2012. On December 24, 2012, Commission staff received a Notice of Appearance. On December 31, 2012, Commission staff received a request for a hearing.

III.

**SUMMARY:**

Jason R. Rosman was issued a Notice of Violation and Settlement (NOVAS)<sup>1</sup> for making numerous mistakes involving closing procedures. Mr. Rosman failed to timely pay the NOVAS.

**FACTS:**

- 1) On Monday July 23, 2012, a Washington State Gambling Commission Special Agent (agent) arrived at Lilac Lanes & Casino and met with Carroll Brannan, Accounting Manager. While the agent conducted an accounting compliance module, he reviewed records for the Table

<sup>1</sup> NOVAS- Notice of Violation and Settlement identifies the violation and gives the licensee the opportunity to pay a fine to settle the matter.

Inventory Slips (TIS).<sup>2</sup> Ms. Brannan showed two TIS's for a gaming table with the same date of July 18, 2012.

- 2) The agent reviewed the TIS for Match the Dealer Blackjack Up/Down table #7 and found that the dates and totals on two copies of the TIS were the same, but the time handwritten at the top of the form dropped and locked under the chip tray was different. One copy of the TIS had a time of 1:21 a.m. and the others were 1:36 a.m. Different individuals, based on the handwriting, completed the TIS's. The times are only 15 minutes apart the Floor Supervisor, Jason R. Rosman and Dealer, Richard Inman signed both forms. This indicates the first TIS was completed well before the closing of the table and the second TIS was completed and dropped again.<sup>3</sup>
- 3) On July 23, 2012, Marcus Knudsen, Surveillance Manager, provided video that showed the closing of the Match the Dealer Blackjack Up/Down table #7 for July 18, 2012.
- 4) The agent reviewed the video and determined that Mr. Rosman made a mistake and dropped the TIS for Match the Dealer Blackjack Up/Down table #7 at Mississippi Stud table #4 after the chips had been counted. He voided the TIS found in the chip tray at Mississippi Stud table #4, along with the third copy. Mr. Rosman reproduced the TIS for Match the Dealer Blackjack Up/Down table #7 and dropped it later. Mr. Rosman later identified his mistake and attempted to void the TIS, but was unable to void all three copies because one copy was already dropped in the table. WAC 230-15-535 requires that the floor supervisor must complete a table inventory slip when a table is closed and chips and coins are counted.
- 5) On Monday July 23, 2012, the agent arrived at Lilac Lanes & Casino and met with Mr. Rosman. The agent asked about the incident involving the TIS's from July 18, 2012, and Mr. Rosman stated that he made a mistake and dropped the wrong TIS slip. The agent informed Mr. Rosman he had too many Notice of Errors (NOE)<sup>4</sup> for a floor supervisor, and Mr. Rosman clarified he is the lead. The agent told Mr. Rosman he has enough experience in the gaming industry he should not have mistakes involving closing procedures. The agent then wrote Mr. Rosman a NOVAS for violating WAC 230-15-535.
- 6) Mr. Rosman refused to sign the bottom of the form to acknowledge he received the NOVAS. He became agitated and stated the agent was being disrespectful for giving him a fine in front of other employees in the pit. Mr. Rosman got up and walked off. The agent walked through the casino to exit the building, while Mr. Rosman followed him. Mr. Rosman continued to curse and make other comments while the agent walked outside to the parking lot. The agent got into his vehicle and left without incident.

<sup>2</sup> Table Inventory Slip (TIS) is an inventory control sheet for the chip counts in the chip tray at the table. It identifies the number of chips in the tray by quantity and total value of each denomination.

<sup>3</sup> The TIS is in triplicate form where one copy is dropped in the drop box, one copy is placed on top of the chips in the locked tray, (viewable from surveillance), and the final copy is given to security to drop off in accounting. The reason the third copy was missing is that it was already dropped in the drop box. Only the count team members have access to the third copy.

<sup>4</sup> A Notice of Error is a required form that card rooms must complete when there is a difference in the amount of chips on the table when it was closed the night before (based on the Table Inventory Slip (TIS)) to the amount of chips in the chip tray when the table is opened the following day.

- 7) The agent asked Surveillance Manager, Marcus Knudsen, if he could contact Mr. Rosman and Mr. Inman about the incident. He received a call from Shawna Chenoweth, Casino Manager, telling Mr. Knudsen not to contact her dealers and floor supervisors and that all questions should go through her first. On July 25, 2012, the agent spoke with Ms. Chenoweth and told her that her staff cannot pre-fill out TIS records prior to the end of the gaming day. The agent informed her that the reason for the WACs on closing tables was to have checks and balances to protect assets of the business.
- 8) On August 3, 2012, the agent received a voicemail message from Ms. Brannan stating she was sending an e-mail regarding a NOE for Jason Rosman. The e-mail from Ms. Brannan stated that when table #3 was closed the TIS read 7,300 and it should have been 8,740. The chip quantities were incorrect for the table, and the video shows no verification was completed. The video shows Mr. Rosman found the error, but did not void out the TIS. He wrote a note for the opening supervisor. The agent reviewed the NOE dated August 2, 2012 for table #3 and the NOE completed by the day shift floor supervisor, which matches the e-mail sent to the agent by Ms. Brannan.
- 9) On August 13, 2012, the agent received an e-mail string from Ms. Brannan asking whether Mr. Rosman could work that evening. Ms. Brannan stated that Lilac Lanes & Casino agreed to pay Mr. Rosman's NOVAS, but the information was not distributed to the accounting office so that the check could be issued. Later that day, the agent contacted Ms. Brannan and told her that Mr. Rosman had a current license and was able to work. The agent also informed her that the payment would be late, and he would be submitting a statement of charges against Mr. Rosman.
- 10) On August 15, 2012, the agent contacted Commission staff in the Business Operations Division and asked them to send back the check payment received from Lilac Lanes & Casino.
- 11) On August 16, 2012, Commission staff received the check payment and returned the check to Lilac Lanes & Casino with a note stating the check was late and not accepted.
- 12) On October 23, 2012, the agent e-mailed the new Lilac Lanes & Casino Accounting Manager, Shanna Romes, a request for NOEs and any write-ups Mr. Rosman received. She sent the following Disciplinary Action Forms given to Jason R. Rosman while working at Lilac Lanes & Casino:
  - Mr. Rosman received a Disciplinary Action Form on August 22, 2012, for another NOE dated August 21, 2012, for having the wrong date on the TIS for table #5.
  - Mr. Rosman received a Disciplinary Action Form on July 25, 2012, for his out-of-order TIS slips on July 19, 2012 and he left cards unsecured in the podium.

III

III

## **VIOLATIONS:**

### **RCW 9.46.075 Denying, suspending, or revoking an application, license or permit**

The commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein: (The following subsections apply.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

### **WAC 230-03-085 Denying, suspending, or revoking an application, license or permit**

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(The following subsections apply.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

### **WAC 230-15-535 Closing tables.**

When closing tables, house-banked card game licensees must follow these steps:

(1) The floor supervisor and the dealer assigned to the gambling table must count the gambling chips and coins. The surveillance department must monitor and record the entire count and closure process.

(2) The floor supervisor assigned to the gambling table must record the chips and coins counted on a table inventory slip.

(4) The floor supervisor and the dealer assigned to the gambling table must sign the table inventory slip, confirming the information recorded at the time of closing.

(7) If an error is made on the closer, the preparer must write "VOID" on all copies of the form and forward them to the accounting department.

Jason R. Rosman, a Floor Supervisor, failed to follow proper procedures when closing gambling tables on July 18, 2012 in violation of WAC 230-15-535. Therefore, under RCW 9.46.075(1) and WAC 230-03-085(1), grounds exist to suspend Mr. Rosman's license.

///

///

IV.

Jason Rosman acknowledges that he received the Notice of Administrative Charges issued in this case, and understands the facts and violations contained in it.

The licensee has waived his right to a hearing based on the terms and conditions of this Settlement Order and further agrees to the following:

- 1) The licensee's gambling license is suspended for a period of **seven (7) days**.
- 2) Pursuant to RCW 9.46.077, the licensee has chosen to vacate the suspension by paying a fine of **two hundred dollars (\$200)**, which represents the original Notice of Violation and Settlement. The licensee also agrees to reimburse the Commission for a portion of its investigative and administrative costs in the amount of **two hundred dollars (\$200)**, for a total fine of **four hundred dollars (\$400)**.
- 3) Paragraph 6 of the Administrative Charges alleges that Mr. Rosman did not sign the NOVAS; however, the parties agree that he later signed the NOVAS on July 23, 2012.
- 4) **The signed Settlement Order and a total payment of \$400 must be received by Commission staff on or before March 5, 2013**, and mailed to Commission Headquarters at the following address:

Washington State Gambling Commission  
Attention: Communications and Legal Division  
P.O. Box 42400  
Olympia, WA 98504-2400

**Or delivered** (in person or via private courier) to the following address:


Washington State Gambling Commission  
Attention: Communications and Legal Division  
4565 7<sup>th</sup> Avenue SE; Third Floor  
Lacey, WA 98503

DATED this 15<sup>th</sup> day of March, 2013.

  
\_\_\_\_\_  
Administrative Law Judge

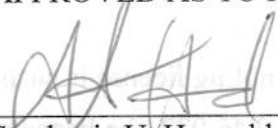
By his signature, the licensee  
understands and accepts the terms  
and conditions of this Order

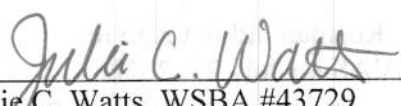
APPROVED FOR ENTRY:

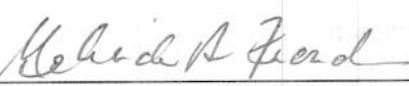
  
Jason R. Rosman,  
Licensee

2-26-13  
(Date)

APPROVED AS TO FORM:

 3/10/13  
Stephanie U. Happold, WSBA# 38112  
Assistant Attorney General  
Representing the Washington State  
Gambling Commission

  
Julie C. Watts, WSBA #43729  
Attorney,  
Representing Jason R. Rosman

  
Melinda Froud, WSBA #26792  
Staff Attorney,  
Washington State Gambling Commission